### UNTAPPED TALENT

Exploring the Benefits of Opportunity Youth for Employers







#### **Opportunity Youth**

are people between the ages of 18 and 29 who are not engaged in school, training, or the labour force. Many have experienced challenging circumstances in their lives that have left them disconnected from employment opportunities, including poverty, homelessness, racism, childhood trauma, and addictions. Aptly named, this population represents an enormous opportunity for employers to:

- 1. Address talent shortages
- 2. Increase workforce diversity
- 3. Access free recruitment support
- 4. Increase retention rates
- 5. Make a difference in a young person's life

In this guide, we explore a few of the benefits associated with tapping into this under-utilized population, and outline some next steps for employers who are interested in engaging more Opportunity Youth.

"Here in Canada, with almost 900,000 youth not in employment, education or training (sometimes called NEET), huge economic potential is being removed from our country. [...] If all employers – small and large, private and public sector – refine their recruitment processes, we can start to bring in young people at scale into our work force where they will learn and contribute. This is especially true for those who have traditionally been left out of the labour market."

HIRJI, Z. "IT'S TIME TO CHANGE HOW WE HIRE YOUNG PEOPLE." THE GLOBE AND MAIL. MAY 2, 2018. TGAM.CA/3SDK9AZ



A lot of employers say 'What are you asking of me? What do I need to do?' I explain that it's actually about improving your overall hiring structure and practices, and it will help you long- term overall."

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# Opportunity Youth help to address talent shortages

A majority of Canadian employers (71%) struggle to find suitable applicants to fill entry level positions.¹ One way of expanding the applicant pool is to draw on a promising, but "largely undiscovered" source of talent: Opportunity Youth.

"A 2017 survey by the Human Resources
Professionals Association (HRPA) and CivicAction
found that 30% of employers have trouble filling
entry-level roles, and a staggering 71% have a
hard time finding applicants. For businesses to
be successful, it is imperative that employers
develop the practices and tools to hire and
retain young people."

HIRENEXT. (N.D.) HIRENEXT ROAD MAP: NAVIGATING YOUR WAY TO TODAY'S TALENT. CIVIC ACTION, P4. BIT.LY/2UA8DHX

of employers have trouble filling entry-level roles.

have a hard time finding applicants.

<sup>1</sup> HireNext. (n.d.) HireNext Road Map: Navigating Your Way to Today's Talent. Civic Action. <u>bit.ly/2Ua8Dhx</u>

The young people who comprise this population are ideal candidates for entry level positions because they:

- Are available year-round, outside the annual graduation and summer holidays cycle
- Are comfortable with technology

"Today's opportunity youth belong to the Millennial and Generation Z cohort, and are more digitally connected and entrepreneurial than other generations. Furthermore, Millennials account for nearly 40% of Canada's workforce and will only continue to grow. These groups have skills that older demographics either may not have or will take longer to learn, so why not engage youth to your advantage?"

HIRENEXT. (N.D.) HIRENEXT ROAD MAP: NAVIGATING YOUR WAY TO TODAY'S TALENT. CIVIC ACTION, P4. BIT.LY/2UA8DHX

- Are used to multi-tasking
- Can be more comfortable with diversity than older generations
- Are often willing to do shift work
- Tend to have lower salary expectations
- Are "active on social media," and may be able to draw others to the goods and services that you offer<sup>3</sup>

A lot of [our youth] are willing to do shift work – work from 11:00 at night to 7:00 in the morning. Those roles are often difficult to fill – especially support desk roles in tech because they offer services 24/7."

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By drawing on this largely untapped pool, employers are able to develop a robust pipeline of next generation talent.<sup>4</sup>

Some of the positive feedback that we've heard is that the candidates [our youth employment agency is] putting forward are eager and talented; they feel confident in what they've learned in our program, so that's a really great bonus. The good attitude piece is really important as well, and so having that growth mindset so that, when you start a job, it's okay not to know what you don't know, it's okay not to know anything - because that's what employers should expect. And coaching them along the way with that. We've also found that many, many of our participants have received promotions within the first three months. They've excelled within their roles, so they've been accelerated into different roles and sometimes different aspects of technology too - we've had a number of people who have been promoted into cyber security and we don't focus on that in our program - so that's been great."

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## Opportunity Youth increase workforce diversity

The Opportunity Youth population spans a wide range of diverse identities, as well as a variety of experiential backgrounds and life learning. To that extent, this population provides employers an opportunity to enhance workforce diversity, a strategy that is associated with increased revenue<sup>5</sup> and "greater customer connection." For employers that target youth and young adults, this demographic can also be more reflective of your customer base. Research suggests that companies that "employ people who mirror their broad customer base are [...] 45% more likely to grow thanks to a better understanding of their clients."7

> "The 2017 Diversity Dividend report published by RBC and the Institute for Canadian Citizenship, found that a 1% increase in workforce diversity yielded an average revenue growth of 2.4% across sectors."

HIRENEXT. (N.D.) HIRENEXT ROAD MAP: NAVIGATING YOUR WAY TO TODAY'S TALENT. CIVIC ACTION, P4. BIT.LY/2UA8DHX



BENEFIT THREE

## Employers can access free recruitment support



Youth employment agencies ("intermediaries") in Canada are funded to help Opportunity Youth to find and retain employment. These and other youth-servicing organizations don't simply provide supports to youth – they also serve as an invaluable resource for employers as they conduct much of the groundwork involved in outreach, skills training, screening, referrals, and ongoing supports. For example, here are some of the services offered by two youth employment agencies in Calgary (the Calgary Youth Employment Centre and NPower):

**Outreach:** These agencies know how to find and engage harder-to-reach youth.

**Assessment:** Young people are assessed for job readiness and preferences. Those who are not yet job ready are supported with referrals to other agencies that can help them to address the challenges they are facing and more easily participate in the labour force.





It's not just about recruiting youth; we're also helping to ensure that the candidates are well equipped, so we place an emphasis not just on [technical] training but also on professional development and personal skills development. Sometimes it takes more work to convince our youth that that's important – but we don't just want them to get a job, we want them to keep it. And we know it makes a difference because employers are saying they're seeing a difference in terms the maturity levels of our youth versus some of the post secondary candidates they're getting."

CALGARY-BASED SERVICE PROVIDER

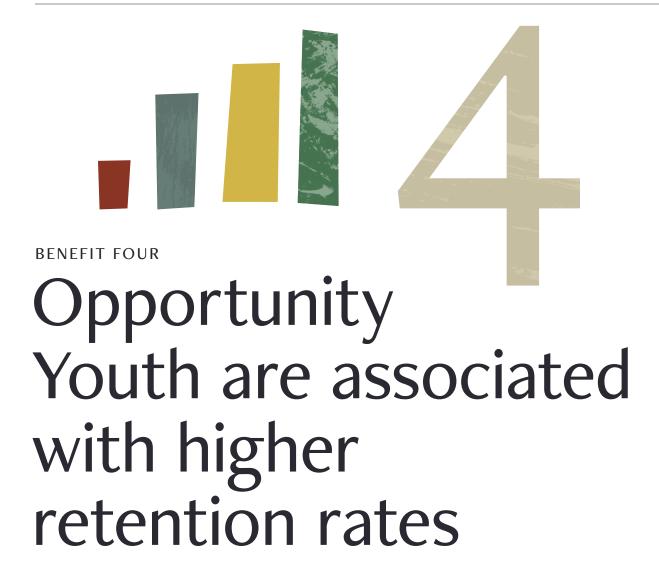
**Skills Training and Coaching Supports:** The types of training and coaching opportunities available vary by agency, but most offer supports related to interviewing, professionalism, time management, communication and problem-solving. Some offer technical training and certification in specific fields.

**Pre-screening:** Because agencies get to know the youth they're working with, they are able to more accurately assess fit for particular roles, determining who might be suitable for a customer-facing role, for example, or who might be a good fit for physically demanding work.

**Customized Hiring Events:** Some youth employment agencies will host hiring events tailored to your needs. For more detail on what that could look like, see Customized Hiring Events: How to Engage Opportunity Youth (available at <a href="https://doi.org/10.25/20.25/">bit.ly/37zLOXV</a>)

**Follow Up:** Once a young person has been hired, youth employment agencies are available to respond to requests from both youth and employers to provide problem-solving support.

In addition to free recruitment support, employers can also access subsidies for employing Opportunity Youth. For more information, please see "Subsidies Available for Employers To Hire Opportunity Youth" on the Calgary Employer Forum website – <a href="mailto:bit.ly/2VIx2eC">bit.ly/2VIx2eC</a>



Companies that have been intentionally recruiting Opportunity Youth for several years have discovered an unexpected competitive edge: the retention rate among Opportunity Youth is about double that of other hires.<sup>8</sup> Data from 300 organizations in the US show that "younger workers stay in their first job for about 18 months on average. But for Opportunity Youth, the figure is more than twice as long – 40 to 45 months." Some attribute the higher retention rates to the fact that Opportunity Youth have been disconnected from the labour force and appreciate that someone has taken a chance on them. As such, they are less likely to have "an attitude of entitlement" and more likely to invest in the company that has invested in them.

"For those businesses that have tapped people from this cohort for entry-level positions, the payoff has been tremendous: Once they land at a company, they tend to become highly engaged – and fiercely loyal – employees."

WARTZMAN, R. (2018). "WHY OPPORTUNITY YOUTH ARE MORE RELIABLE THAN MOST MILLENNIALS IN THE WORKFORCE." FAST COMPANY, MAY 25, 2018. BIT.LY/2VPPAHX



<sup>8</sup> Companies like the Starbucks, the Gap, and Wegmans (a US grocery chain) have all observed higher retention rates among Opportunity Youth. See, for example: HireNext. (n.d.) HireNext Road Map: Navigating Your Way to Today's Talent. Civic Action <a href="https://district.org/bit.ly/2Ua8Dhx">bit.ly/2Ua8Dhx</a> and Wartzman, R. (2018) "Why opportunity youth are more reliable than most millennials in the workforce." Fast Company, May 25, 2018. <a href="https://district.org/bit.ly/2VPpAhX">bit.ly/2VPpAhX</a>

<sup>9</sup> Wartzman, R. (2018) "Why opportunity youth are more reliable than most millennials in the workforce." Fast Company, May 25, 2018. bit.ly/2VPpAhX

<sup>10</sup> Wartzman, R. (2018) "Why opportunity youth are more reliable than most millennials in the workforce." Fast Company, May 25, 2018. bit.ly/2VPpAhX

# Employers who hire Opportunity Youth have a positive social impact

While there are many potential business advantages, perhaps the most compelling reason to hire Opportunity Youth is the social impact that organizations can achieve through their engagement with this population. Many Opportunity Youth have encountered significant challenges in their lives, including poverty, racism, childhood trauma, homelessness, and mental health issues – challenges that have sometimes created barriers to employment. Youth-serving agencies can work with youth to address these barriers and support job-readiness, but they need employer partners who are willing to take a chance on these young people. When employers are willing to make a commitment to engage this population, the results can be transformational as the story in the side bar suggests.

"Hiring opportunity youth means you are giving back to the community by providing jobs to those who will benefit from them the most. In turn, this can help increase your recognition and clout with local community organizations and leaders."

LINKEDIN. (2016). THE ULTIMATE OPPORTUNITY YOUTH HIRING TOOLBOX. DENVER EDITION. P4 BIT.LY/37Z8QXW

What I hear from HR professionals is that the 'why' is obvious

– I think HR professionals care about people and capturing
human potential – and when they see someone who could use
the opportunities that a job provides in terms of self-sufficiency
and supporting yourself and all of those things – I think there's
a natural inclination there."

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We had an individual join our program with very limited skills. He was right out of high school and had not worked before. When one of our employer partners came in and did a session, he raised his hand twice and asked really great questions. At the end of that session, the employer said 'Can you send me his resume.' I thought 'Oh, this isn't somebody I would normally put forward right away – we still have some work to do with him.' He was hired in week 9 of our 15- week program and he has been so successful it's amazing. Getting this job elevated his self-confidence, his self-worth. He moved out of his parents' place and got his own place and it was a game changer for him. And it was just an employer who had confidence in him, who was willing to take a chance on him, and it's just been an amazing, life-changing experience for him."

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For those engaging Indigenous youth, this can also represent a unique opportunity to play an active role in the Truth and Reconciliation process. Miskanawah is an Indigenous-run youth-serving organization in Calgary that focuses on Opportunity Youth through their ReVision project. A Miskanawah staff member notes that hiring Indigenous youth is a meaningful way for employers to contribute to the wellbeing of Indigenous communities – and the ReVision team is available to help them do that in culturally safe and relevant ways:

"We have employers who are very interested in working with the Indigenous community and learning how can they actively move towards reconciliation – but I've noticed a lot of employers don't know how to do that, they don't know where to start, how to navigate that, or how to reach youth to employ in their workplace. So they're very interested in ReVision because they get to actively engage in the process of reconciliation with their youth by working with them every day and employing them. And then on top of that, we support and guide them through that whole process when it comes to things like cultural safety, how to interview our Opportunity Youth, how you can make [your workplace] an inclusive space, and how can you redirect your existing policies in order to better support our Opportunity Youth and thrive with them. I think that's a big selling point because we're there every step of the way to help them navigate the process [...]. And they're actively participating in reconciliation because they're making a big difference, a big impact with Indigenous youth."

For tips on how to more effectively work with Indigenous Youth, see Interviewing and Supervising Indigenous Youth on the Calgary Employer Forum website bit.ly/3jJHc74

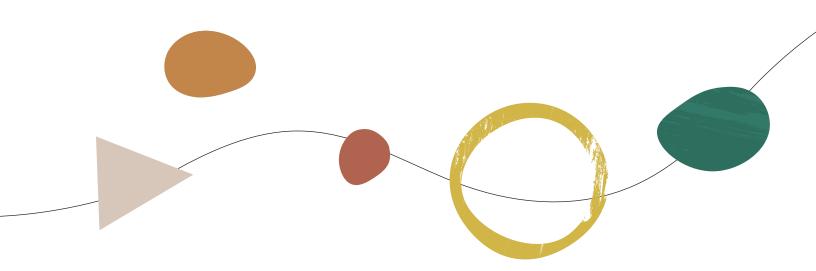
#### **Next Steps**

Opportunity Youth can be a significant asset. If you're interested in exploring ways you can begin engaging this population, we recommend the following next steps:

- **1. Join the Calgary Employer Forum,** a "platform for employers to gather and collectively learn best practices to better hire and retain youth who have faced barriers to employment in the past." The CEF offers great resources and learning opportunities and it's free! <a href="bit.ly/3AGJw5N">bit.ly/3AGJw5N</a>
- **2. Connect with a youth employment agency** like the Calgary Youth Employment Centre or NPower. Youth-serving organizations such as Trellis and Miskanawah in Calgary can also help you to connect with Opportunity Youth. We encourage you to check out their websites:
- Calgary Youth Employment Centre bit.ly/2VO9Mw9
- NPower <u>npowercanada.ca</u>
- Trellis growwithtrellis.ca
- Miskanawah miskanawah.ca

#### 3. Check out these great resources:

- The Ultimate Opportunity Youth Hiring Toolbox. Denver Edition <a href="mailto:bit.ly/3yMqHgQ">bit.ly/3yMqHgQ</a>
- Connecting Youth and Business: A Toolkit for Employers <a href="mailto:bit.ly/2VILgw2">bit.ly/2VILgw2</a>
- "4 Tips To Recruit, Hire and Retain Opportunity Youth" (Forbes Magazine) bit.ly/37DFzlS
- "It's Time to Change How we Hire Young People" (Globe and Mail) tgam.ca/3sdK9Az
- Raising the Roof: Long-term Solutions for Canada's Homeless Employers Toolkit bit.ly/2UcCCFL



#### About the Collaborative Funders' Table

In 2017, the Collaborative Funders' Table (CFT) launched a collaborative funding initiative with the goal of improving employment prospects for Opportunity Youth in Calgary. The initiative focuses on the interface between 'supply' (youth and youth serving agencies) and 'demand' (employers). The goal is to ensure that youth seeking work are better prepared to meet the needs of employers, and that employers are better able to recruit and retain youth. The Collaborative Funders' Table includes: the Calgary Foundation, the United Way of Calgary and Area, Burns Memorial Fund, the RBC Foundation, the City of Calgary, JPMorgan Chase Foundation, and other anonymous donors.

#### **Suggested Citation:**

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